



Quantum Communication, Inc.

1000 Highway 34, Matawan, NJ 07747 Tel. 732-632-9896

Quantum Communications Comments On 3G Further Notice of Proposed Rule Making

Dockets 00-258, 95-18, and 99-81

Quantum Communications, Inc. appreciates the opportunity to comment on the Further Notice of Proposed Rule making with respect to 3G and other wireless spectrum allocation in the United States. As an actual small business, Quantum is unlikely to be able to afford spectrum licenses in the major 3G bands and we will not comment on those. On the other hand, Quantum has a very significant interest in the 1910MHz – 1930MHz Unlicensed Band.

Quantum Communications' primary business is providing low cost International Prepaid Long Distance service to the ethnic Asian community in New York City allows recent immigrants to call home at prices that they can easily afford. Quantum uses compressed Voice over IP technology to transmit calls from New York to Asia and, as a result, needs high quality uncompressed connections from our gateways to our end users.

Quantum has a desire to improve our service to our subscribers and to advance our business by expanding to provide local phone service in addition to long distance. We have determined that, in the New York City neighborhood environment, deployment of wireless connections for the "last half block" is a very cost effective approach to providing local service in competition with New York Telephone (currently doing business as Verizon Communications). Considering that the cost to a subscriber of a wireless phone on our network would be less than or equal to the cost to simply activate and maintain local service from New York Telephone, we believe that our wireless solution would work well for subscribers in the City and would provide service to many subscribers who otherwise would be forced to use payphones as their primary means of telecommunication.

In order to undertake our business, Quantum contacted several of the wireless license holders who currently have authority to serve the neighborhoods of New York County and Queens County, New York. These operators were uniformly disinterested in allowing Quantum access to spectrum on such a local basis, instead reiterating that their spectrum in New York is worth billions of dollars and they could not be troubled with an operator only interested in serving a few city blocks at low rates. They were also

seemingly disinterested in offering service at anticipated Average Revenue per User figures of under \$30 per month.

Looking at our approach to the business in the context of this proceeding, Quantum believes that the best solution for us to provide service to this population would be to change the etiquette requirements on the 1910MHz – 1930MHz spectrum to allow deployment of internationally standard products that are already in high volume production and that are already in use in other countries while leaving the spectrum unlicensed. It is our belief that leaving the spectrum as unlicensed and allowing the use of standard (PHS in our case, but others could also be used) equipment to serve our subscribers is the only economic solution to allow us to provide service on a building-by-building or block-by-block basis. Any other solution, which would likely involve an auction process, would leave the cost of spectrum far too high for an operator only looking to provide service covering a few blocks. Even if licenses were defined on a single county basis, which would be smaller than any auctioned licenses to date, we believe that the license for either New York County or Queens County would sell for far more than we could recover just in one small neighborhood. Leaving the spectrum as unlicensed would allow Quantum to deploy a local service alternative one building or one block at a time and would simultaneously allow others to deploy systems in other neighborhoods, or even in the same neighborhood without the significant overheads associated with license partitioning or even leasing on such a local basis.

Quantum Communications respectfully requests that the Commission separate the different bands included in this proceeding and immediately approve rules that can allow the deployment of globally standard equipment in the 1910MHz – 1903MHz unlicensed band.

Peter Wang
President